



20 CFR Part 295

RIN 3220—AB69

Payments Pursuant to Court Decree or Court-Approved Property Settlement

AGENCY: Railroad Retirement Board.

ACTION: Final rule.

SUMMARY: The Railroad Retirement Board (Board) amends its regulations addressing who may receive a portion of an employee annuity due to a former spouse of a railroad annuitant under a court decree of divorce or court-approved property settlement, but which was unpaid at the time of the former spouse's death. The current regulation states that the Board will follow the priority order provided for employee annuities unpaid at death in the Board's regulations. **This amendment is necessary to insert a correct reference to the proper section of the Board's regulations pertaining to employee annuities due but unpaid at death.**

DATES: This rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Stephanie Hillyard, Secretary to the Board, Railroad Retirement Board, 844 N. Rush Street, Chicago, Illinois, 60611-1275.

FOR FURTHER INFORMATION CONTACT: Marguerite P. Dadabo, Assistant General Counsel, Railroad Retirement Board, 844 North Rush Street, Chicago, IL 60611-1275, (312) 751-4945, TTD (312) 751-4701.

SUPPLEMENTARY INFORMATION:

Background Information

The Railroad Retirement Act (RRA) provides monthly annuities for railroad employees based on age and years of service in the railroad industry. Section 14(b)(2) of the RRA [45 U.S.C. 231m(b)(2)] provides that portions of an employee annuity calculated under sections 2(b), 3(b), 3(f), and 3(h) of the RRA [45 U.S.C. 231a(b), 231b(b), 231b(f), and 231b(h)] may be characterized as community property and subject to distribution in accordance with a court decree of divorce, annulment, or legal separation or the terms of any court-approved property settlement incident to any such court decree. The current version of Board regulations at 20 CFR 295.1 through 295.7 implement this provision.

The current version of section 295.5(d) of the Board's regulations explains that payments to a spouse or former spouse pursuant to a court order will not be made to the heirs, legatees, creditors, or assignees of a deceased spouse or former spouse. Any annuity amounts due to the spouse or former spouse but unpaid at the time of the spouse or former spouse's death will be made in accordance with the Board's regulations governing payments of employee annuities due but unpaid at the death of the employee. At the time § 295.5(d) was published in the Federal Register, the Board's regulations governing employee annuities due but unpaid at death were found in § 234.1 of the Board's regulations. Part 234 of the Board's regulations has since been amended and the section governing employee annuities due but unpaid at death is now designated as § 234.31 of the Board's regulations.

Final Rule

We are amending § 295.5(d) of the Board's regulations to provide the correct cross- reference to the section of the Board's regulations governing employee annuities due but unpaid at death. This change is not intended to be substantive.

This change was published as a proposed rule on December 9, 2016, and comments were invited to be submitted by February 7, 2017. See 81 FR 89014 (December 9, 2016). No comments were submitted, and the final rule is the same as the proposed rule. Because this final rule is not a substantive change, but is merely a correction of a citation, it becomes effective on the date this notice of rulemaking is published in the Federal Register.

Regulatory Procedures

Executive Order 12866, as amended

The Office of Management and Budget has determined that this is not a significant regulatory action under Executive Order 12866. Therefore, no regulatory impact analysis is required.

Regulatory Flexibility Act

The Board certifies that this final rule will not have a significant economic impact on a substantial number of small entities because it affects individuals only. Therefore, a regulatory flexibility analysis is not required under the Regulatory Flexibility Act, as amended.

Paperwork Reduction Act

This final rule imposes no reporting or recordkeeping requirements subject to OMB clearance.

List of Subjects in 20 CFR Part 295

Railroad retirement.

For the reasons stated in the preamble, the Railroad Retirement Board amends 20 CFR part 295 as follows:

PART 295 – PAYMENTS PURSUANT TO COURT DECREE OR COURT-APPROVED SETTLEMENT

1. The authority citation for part 295 continues to read as follows:

Authority: 45 U.S.C. 231f; 45 U.S.C. 231m.

§ 295.5 [Amended]

2. In § 295.5(d), remove “§ 234.1” and add in its place “§ 234.31”.

Dated: June 17, 2021.

By Authority of the Board
Stephanie Hillyard
Secretary to the Board